

Cultivator

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Farmers Benefiting From Trump Tax Cuts

Farm families are benefiting from the Tax Cuts & Jobs Act (TCJA). President Donald J. Trump signed in December, according to the U.S. Department of Agriculture (USDA).

The Economic Research Service (ERS) studied 2016 Internal Revenue Service and USDA data and recently released findings showing farmers' effective tax rate is 3-6 percent lower under the Republican-passed plan.

The TCJA's most far-reaching provision was a 20 percent tax deduction for small businesses often taxed at individual rates under a "passthrough" provision. In 2016, 98 percent of farms were organized as passthrough entities. ERS found that if the TCJA been in effect, farm households would have faced an average effective tax rate of 13.9 percent versus 17.2 percent under prior law.

The TCJA allows farmers to immediately write off the full cost of new equipment. The report estimated three times as many farmers made investments in 2016 that could not be fully deducted in the year of purchase than under the new tax plan.

Additionally, the TCJA's doubling of the estate tax exemption would have applied to 87 percent of farms owing estate taxes in 2016.

While the ERS report focused on farmers, the TCJA also lowered individual income tax rates; almost doubled the standard deduction; expanded the Child Tax Credit; and preserved popular deductions including charitable contributions, mortgage interest, and state and local taxes.

Rogers Discusses Farm Bill During County Visits



U.S. Rep. Mike Rogers, R-Saks, met with farmers Aug. 9 in Centre. Rogers was recently appointed to the U.S. House Farm Bill Conference Committee. From left are Cherokee County's Matt McMichen, Alabama Farmers Federation District 3 Director Donald Sewell, Rogers, Cherokee County Farmers Federation President John Bert East and Cherokee County's Bryan East.

Trump Aid Package To Help Farmers

Alabama Farmers Federation leaders welcomed an announcement of \$12 billion in aid for farmers affected by foreign tariffs on agricultural products. U.S. Secretary of Agriculture Sonny Perdue made the announcement July 24.

The Federation's Mitt Walker said the aid is a temporary bridge to better trade deals for farmers and the nation.

"Alabama farmers remain hopeful the ultimate solution will be a healthy trade environment where U.S. agriculture can compete on a level playing field with the rest of the world," said Walker, the Federation's director of national programs.

USDA officials said they hope to have more details by early September.

The package includes the Market Facilitation Program, which will provide payments incrementally to producers of soybeans, sorghum, corn, wheat, cotton,

dairy and hogs. This support will help farmers manage disrupted markets, deal with surplus commodities, and expand and develop new markets.

Also included is a Food Purchase and Distribution Program, which will purchase unexpected surpluses of affected commodities such as fruits, nuts, rice, legumes, beef, pork and milk for distribution to food banks and other nutrition programs.

The Trade Promotion Program will assist in developing new export markets for U.S. farm products.

American Farm Bureau Federation President Zippy Duvall praised the aid package but encouraged continued work toward improved trade.

"We are grateful for the administration's recognition that farmers and ranchers needed positive news now, and this will buy us some time," he said.

Field Day Lays Groundwork For Sod Success



Sod farmers learned innovative measures to improve production during the Turfgrass Field Day in Auburn July 31. From left are Tallapoosa County Farmers Federation President Jacob Hodnett; Alabama Greenhouse, Nursery & Sod Committee member and Alabama Farmers Federation District 9 Director Bill Cook; Auburn University's (AU) Dr. Beth Guertal; and AU Crop, Soil & Environmental Sciences Department Head John Beasley.

Commodity Corner

Beef

Summer board sales have proven that weaning and preconditioning calves add value for potential buyers. Producers (Autoaugaville), S.A.F.E. (Dothan) and Piedmont (LaFayette) all had cattle that sold at or slightly below prices equal to their delivery month on the Chicago Board of Trade. If farmers figure in a conservative \$7/cwt for freight, premiums could be \$8-10/cwt higher than normal. On a 700-pound calf, that still makes weaning and preconditioning worthwhile.

-Nate Jaeger, division director

Peanuts

Over 500 peanut farmers and industry representatives attended the 20th Southern Peanut Growers Conference July 19-21 in Miramar Beach, Florida. Attendees received information on peanut production, legislative issues, marketing and promotion.

-Caleb Bristow, division director

Forestry

The Alabama Forestry Commission (AFC) has created a new link updating its pine beetle detection map in real time. This map gives landowners a general idea of southern pine beetle activity in their area. Learn more at forestry.alabama.gov.

-William Green, division director

Bee & Honey

Varroa mites affected 53.4 percent of honeybee colonies from April to June 2018, according to the U.S. Department of Agriculture. Alabama has 7,500 bee colonies this year compared to 6,500 in 2017. There are 2.7 million colonies in the U.S., a minimal change from last year.

-Caleb Hicks, Alabama Fruit & Vegetable Growers Association intern

Poultry

Restrictions on hauling poultry litter in south Alabama are in place due to increased presence of a respiratory disease, Mycoplasma Synoviae (MS). Two poultry complexes have infected breeder flocks. Industry leaders are hopeful restricted movement and increased biosecurity will keep flocks healthy. MS is not a food safety concern and does not affect humans.

-Guy Hall, division director

Soybean; Wheat & Feed Grain

I want to thank the Soybean and Wheat & Feed Grain Producers for sponsoring my internship. It has been an amazing summer! I gained valuable communication and writing skills while meeting farmers and exploring the world of agriculture for the first time. This has been a summer I will never forget.

-Ginny Bradley, divisions intern

Get Ag-tive

- **Cotton producers** may apply for the U.S. Department of Agriculture's (USDA) Agriculture Risk Coverage and Price Loss Coverage programs through Dec. 7. Seed cotton is now covered in Title I farm programs. Visit fsa.usda.gov to learn more.
- **USDA Rural Development** has made available more than \$4 billion in direct loans to help rural communities build or upgrade water and wastewater infrastructure. Learn more at rd.usda.gov/al.

On The Move In Ag

- **Jimmy Miller** of Snead in Blount County won the 2018 Farm Press Peanut Efficiency Award for the Lower Southeast States. He was honored for growing high-yielding peanuts on topographically challenging dryland fields.
- **Keith Gray** will serve as chief of staff for the U.S. Department of Agriculture's Risk Management Agency. The Tallassee native was formerly the Alabama Farmers Federation's National Affairs director.
- **Mike Phillips** was named Auburn University College of Agriculture's associate dean for Extension, effective Aug. 15. He is also assistant director for agriculture, forestry and natural resource Extension programs.
- **Cam Humphrey and Colton Perdue** joined the Alabama Farmers Federation as interns. Humphrey worked on ag policy through Aug. 10, while Perdue will work on broadcast projects through the annual meeting in December.

OBITUARY

Earl Saxon of Attalla died July 7. He was 83.

Saxon was a former Alabama Farmers Federation state board member and former Etowah County Farmers Federation president.

He is survived by wife Virginia Miller Saxon, son Clifford Allen Saxon and grandson Justin Lee Saxon.

Ag In Action

- **The Green Leaf Grill** in Mentone was named Bama's Best Catfish 2018 after judges visited the Final Four restaurants in July. Alabama Catfish Producers sponsored the contest.
- **The Chicken Shack** in Luverne won the Bama's Best Fried Chicken contest on the "Simply Southern TV" Facebook page. The contest was sponsored by the Alabama Poultry & Egg Association and the Alabama Poultry Producers.
- **A landmark career and technical education reform bill** became U.S. law this month. The Strengthening Career and Technical Education for

the 21st Century Act will ensure more Americans enter the workforce with skills needed to find good-paying jobs in in-demand skill areas.

- **Sunbelt Forest Ventures** plans to open a new sawmill in Dallas County by early 2019. Once completed, the \$20 million investment will employ more than 50 people.
- **Japan will accept U.S. sheep and goat exports** for the first time in more than 14 years, the U.S. Department of Agriculture announced in July. Japan annually imports nearly \$170 million of sheep and goat meat.

FarmPAC Fares Well In Runoff Elections

Candidates endorsed by the Alabama Farmers Federation's FarmPAC prevailed in the majority of races during runoff elections July 17.

In statewide and Congressional races, the organization's picks claimed victory in six of seven Republican contests, including

- **Will Ainsworth:** Lt. Governor (R)

- **Martha Roby:** U.S. Congress, District 2 (R)
- **Steve Marshall:** Attorney General (R)
- **Rick Pate:** Commissioner of Ag & Industries (R)
- **Christy Edwards:** Alabama Court of Civil Appeals, Place 1 (R)
- **Chris McCool:** Alabama Court of Criminal Appeals, Place 2 (R)

Events & Deadlines

- **Aug. 18** - Auburn Beef Cattle Conference
 - aub.ie/beef
- **Sept. 6** - Federation Heritage Cooking Contest in Montgomery
- **Sept. 16-18** - National Goat Conference in Tuskegee
 - tinyurl.com/GoatConf18
- **Sept. 25** - Federation Policy Development Meeting in Montgomery
- **Oct. 8-9** - Alfa Youth Leadership Conference in Columbiana
 - tinyurl.com/AYLC18
- **Oct. 14-16** - Alabama Landowners Conference in Prattville
 - Register by Sept. 28 at TREASUREForest.org
- **Oct. 16-18** - Sunbelt Ag Expo in Moultrie, Georgia
- **Nov. 2** - Alabama Farmers Ag Foundation Skeet Shoot
- **Nov. 15-16** - Alabama Fruit & Vegetable Growers Association annual conference in Clanton
 - Registration opens Sept. 24 at AFVGA.org

County Presidents Hold Meeting In Muscle Shoals

Agricultural tours, insurance company updates and a report from the Membership Dues Study Committee were all part of the Alabama Farmers Federation's County Presidents Conference in Muscle Shoals July 19-22.

The group visited the International Fertilizer Development Corp. in Muscle Shoals, which conducts activities in collaboration with national and international organizations throughout the world. Most fertilizers in use worldwide were developed in Muscle Shoals.

Alfa Insurance personnel presented about innovations in company technology. They also shared information about new insurance options for small business owners and expansion of farmowner policy insurance options.

The Membership Dues Study Committee proposed an increase to provide an additional \$1 to American Farm Bureau Federation for a national dues increase, effective January 2019. The proposal also provides funds for county federations plus additional commodity,



County Farmers Federation presidents toured the International Fertilizer Development Center (IFDC) in Muscle Shoals during the 2018 County Presidents Conference. From left are Dan Robertson of Perry County, Alabama Farmers Federation President Jimmy Parnell and IFDC engineer Andrea Hovater.

field staff and marketing services.

A Bylaws Committee appointed by Federation President Jimmy Parnell will

consider the recommendation. Dues changes require approval by delegates at the Federation's December annual meeting.

Farm And Land Expo A Success



Attendees met with nearly 100 exhibitors at the Alabama Farm & Land Expo Aug. 4 in Montgomery. Exhibitors included equipment dealers, ag lenders, real estate agents and more. From left are AgPro's Justin Lackey and Alabama Farmers Federation District 8 Director Meador Jones of Marengo County.



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Commodity Conference Features Tours, Contests

Over 750 farmers gathered in Alabama's Capital City Aug. 2-4 to tour farms, learn from industry experts and compete in division contests.

Six tours spread across central Alabama during the Alabama Farmers Federation's 46th Commodity Producers Conference in Montgomery. Stops included row crop farms, cattle operations, a peanut butter plant, a winery and more.

Breakout sessions educated farmers on innovative techniques and industry issues Aug. 4, starting with an agricultural economic outlook from American Farm Bureau Federation Chief Economist John Newton.

In Young Farmers Division competitions, Chris and Jordyn Upchurch of Clay County were named Alabama's 2018 Outstanding Young Farm Family, while Samantha Carpenter of Limestone County won the Excellence in Agriculture contest. Women's Division sewing, quilting and tablescapes contests were also held during the conference.

The Agricultural Leaders For Alabama



The Red Tour visited Whippoorwill Vineyards in Notasulga and heard from owner Tim Watkins during the Alabama Farmers Federation's 46th Commodity Producers Conference Aug. 3. Six tours spread across central Alabama during the conference and highlighted commodities, industry and cultural sites.

Class IV graduated from the two-year program Aug. 2, while Ben Maples of Limestone County won the inaugural Hay & Forage Spokesperson Contest.

The Alabama Farm & Land Expo joined the conference for the second year Aug. 4. Nearly 100 exhibitors participated. Read more in Neighbors magazine.